



# Panchayati Raj Institutions and Participative Democracy

This article is based on [Panchayats as instruments of social and economic progress](#) published in The Hindu Business Line on 24/04/2020. It evaluates the functioning of the panchayat raj institution on the occasion of National Panchayati Raj Day.

The **National Panchayati Raj Day** is celebrated every year on April 24. The [Panchayati Raj Institutions](#) play a major role in the socio and economic development of people at the grassroot level.

[Panchayati Raj Institutions \(PRI\)](#) as units of local government have been in existence in India for a long time, in one form or another. However, it was only in 1992, on the recommendations of the **LM Singhvi Committee (1986)**, that it was granted constitutional status as the third level of India's federal democracy through the [73<sup>rd</sup> Amendment Act](#).

The primary objective of establishing the third tier of the government (PRI) is to increase **democratic participation**, to better **articulate local needs and priorities**, and **to ensure a more efficient use of local resources** along with greater accountability and transparency.

However, this tier of the government is marred by many problems that need to be sorted out.

## Significance of Panchayati Raj Institution

### ▪ Promote Democratic Representation

- The PRI system generally consists of three level: Gram Panchayat at the village level, Block Panchayat or Panchayat Samiti at the intermediate level and Zilla Panchayat at the district level
- This scheme of the PRI system increases cooperation among people, democratic participation and decentralization.

### ▪ Effective and Efficient Planning

- The 2.5 lakh Gram Panchayats (GPs) in the country have been entrusted to provide basic services in the villages and plan for local economic development.
- The Gram Sabha (GS) discusses the development work plans of the GP called **Gram Panchayat Development Plan (GPDP)** and the elected representatives execute the plans. Formulation of GPDP improves efficiency of public services.

### ▪ Ensures Good Governance

- **'Consensus oriented'** and **'Participation'** are two important pillars of [Good Governance](#) and the PRI helps in ensuring both these pillars.
- For example, GS is a channel to include the less privileged section of society and ensure their participation in the village level governance wherein they can advocate their developmental aspirations.
- This bottom-up approach is meant to reflect the needs of various stakeholders

## Gram sabha

- Gram Sabha is a body consisting of all persons whose names are included in the electoral rolls for the Panchayat at the village level. The term is defined in the Constitution of India under **Article 243(b)**.
- The Constitution mentions that Gram Sabha exercises such powers and performs such functions at the village level as the Legislature of a State may, by law, provide.
- All eligible voters of the village can participate in the Gram Sabha.
- The decisions taken by the Gram Sabha cannot be annulled by any other body except itself.

## Challenges With the PRI System

### ▪ Lack of Effective Devolution

- Local government is a state subject in the Constitution, and consequently, the devolution of power and authority to panchayats has been left to the discretion of states.
- Some of the important subjects like fuel and fodder, non-conventional energy sources, rural electrification including distribution of electricity, non-formal education, small scale industries including food processing industries, technical training, and vocational education have not been devolved in certain states.

### ▪ Insufficient Grants/Funds

- Despite the constitutional empowerment, the local bodies face problems of **inadequate finance** to carry out various activities assigned to them.
- Transfers made through the State Finance Commissions are also meagre in most States.
- In most of the states, most of the GPs are found reluctant to raise their own source of revenue (OSR). Only a few GPs are able to generate OSR in the form of tax or non-tax revenue by renting shops, house tax and clean water fee.

### ▪ Issue of Sarpanch Pati

- On the Panchayati Raj Day in 2015, the Prime Minister called for an end to 'Sarpanch Pati culture'. But it is still very much prevalent in the society, mainly due to gender biases, women illiteracy and patriarchal society.

### ▪ Infrastructural Challenges

- Some of the GPs do not have their own building and they share space with schools, anganwadi centre and other places. Some have their own building but without basic facilities like toilets, drinking water, and electricity connection.
- While GPs have internet connections, they are not functional in many cases. For any data entry purposes, panchayat officials have to visit Block Development offices which delay the work.

### ▪ Lack of Support Staff

- The Standing Committee on Rural Development (Chair: Dr. P Venugopal) in July 2018 observed that there is severe lack of support staff and personnel in panchayats, such as secretary, junior engineers, computer operators, and data entry operators. This affects their functioning and delivery of services by them.

### ▪ Lack of Convergence of Various Government Programmes

- There is a clear lack of convergence of various development programmes of the Centre and state governments.
- For example, roads in two different patches are constructed utilising two different sources of funding (e.g. Fourteenth Finance Commission and MPLAD), but it is difficult to find one large activity with funding from multiple sources.
- Different guidelines by different departments are cited as a major constraint for lack of convergence of activities.

## Steps to be taken

The recommendations of the **6<sup>th</sup> report of the 2<sup>nd</sup> Administrative Reform Commission** (ARC) can be implemented for a better and effective functioning of the Panchayati Raj institutions.

- **Genuine fiscal federalism** i.e. fiscal autonomy accompanied by fiscal accountability can provide a long term solution.
  - The 2<sup>nd</sup> ARC had recommended that there should be a clear-cut demarcation of functions of each tier of the government.
- The **2<sup>nd</sup> ARC** also recommended that state Governments should encourage local bodies to **outsource specific functions** to public or private agencies, as may be appropriate, through enabling guidelines and support
- **The Comprehensive and holistic training** requires expertise and resources from various subject matter specific training institutes.
  - This can be best achieved by 'networking' of institutions concerned with various subjects such as financial management, rural development, disaster management and general management.
- **Audit committees** may be constituted by the State Governments at the district level to exercise oversight of the integrity of financial information, adequacy of internal controls, compliance with the applicable laws and ethical conduct of all persons involved in local bodies.

## Some Positive Steps Taken By Finance Commissions

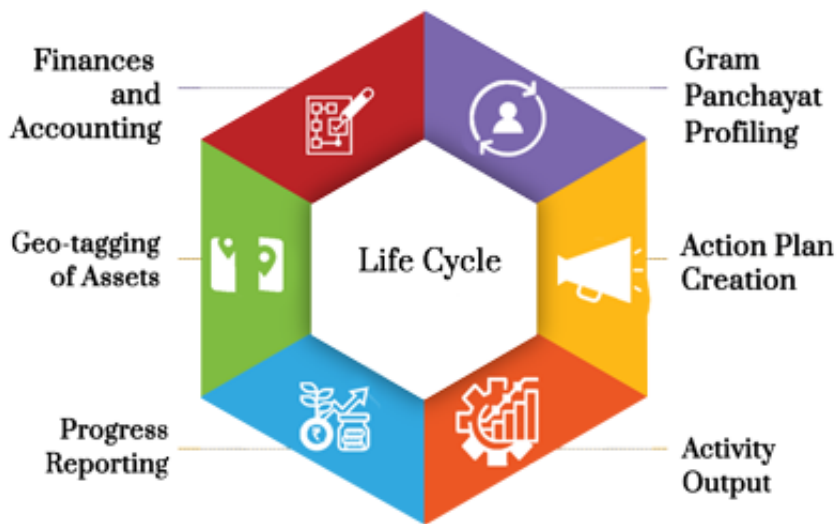
- In the context, the Fourteenth Finance Commission (FFC) has substantially increased the grants to the local bodies for the period year 2015-16 to 2019-20
- The grants provided are intended to be used to support and strengthen the delivery of important basic public services.
- Also, the 15<sup>th</sup> Finance Commission has further increased the grants in its interim report for year 2020-21 for rural and urban bodies.

## Conclusion

The governments should make adequate efforts to devolve funds, functions, and functionaries to panchayats, so that they can effectively plan economic development and social justice schemes. An empowered PRI is the foundation to an ideal 'Gram Swaraj' as advocated by Mahatma Gandhi.

e-GramSwaraj- A Simplified Work Based Accounting Application for Panchayati Raj.

To strengthen e-Governance in Panchayati Raj Institutions (PRIs) across the country, Ministry of Panchayati Raj (MoPR) has launched eGramSwaraj, a user friendly web-based portal. eGramSwaraj aims to bring in better transparency in decentralised planning, progress reporting and work-based accounting.



### ***Drishti Mains Question***

Discuss how an empowered Panchayati Raj institution is a major intervention to facilitate good governance.

This editorial is based on [“Safe return: On migrant worker distress”](#) which was published in The Hindu on 27/04/2020.

PDF Reference URL: <https://www.drishtiias.com/printpdf/panchayati-raj-institutions-and-participative-democracy>